THE OFFICE OF REGULATORY STAFF

DIRECT TESTIMONY AND EXHIBITS

OF

MICHAEL L. SEAMAN-HUYNH

MARCH 4, 2010

DOCKET NO. 2010-2-E

Annual Review of Base Rates for Fuel Costs of South Carolina Electric & Gas Company

DIRECT TESTIMONY OF

MICHAEL L. SEAMAN-HUYNH

ON BEHALF OF

THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF

DOCKET NO. 2010-2-E

IN RE: ANNUAL REVIEW OF BASE RATES FOR FUEL COSTS

OF SOUTH CAROLINA ELECTRIC & GAS COMPANY

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Michael Seaman-Huynh. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as an Electric Utilities Specialist in the Electric Department for the Office of Regulatory Staff ("ORS").

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A. I received a Bachelor of Arts Degree in History from the University of South Carolina in Columbia in 1997. Prior to my employment with ORS, I was employed as an energy analyst with a private consulting firm. I joined ORS in June 2006. I have testified on several occasions before this Commission in conjunction with fuel clause proceedings.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to set forth ORS Electric Department's findings and recommendations resulting from its examination and review of South Carolina Electric & Gas Company's ("SCE&G" or "Company") fuel expenses and power plant

operations used in the generation of electricity to meet the Company's retail customer requirements during the review period.

Q. WHAT AREAS WERE ENCOMPASSED IN YOUR REVIEW OF THE COMPANY'S FUEL EXPENSES AND PLANT OPERATIONS?

A. In preparation for this proceeding, the Electric Department reviewed, among other materials and documents, the Company's monthly fuel reports including power plant performance data, unit outages, and generation statistics. Comparisons and analyses of actual to original estimates were performed for both megawatt-hour sales and fuel costs.

Q. WHAT ADDITIONAL STEPS WERE TAKEN IN ORS'S REVIEW OF THE COMPANY'S PROPOSAL IN THIS PROCEEDING?

A. Numerous meetings were held with various SCE&G personnel representing a variety of areas of expertise to discuss and review the Company's fossil and nuclear fuel procurement; fuel transportation; environmental cost and compliance procedures; nuclear, fossil and hydro generating plant's performance; plant dispatch; forecasting; and general Company policies and procedures. These meetings occurred at ORS and SCE&G Headquarters in Cayce, S.C. Also, ORS reviewed documentation of natural gas purchases for operation of the Company's natural gas fueled generating facilities. Additionally, ORS keeps abreast of the coal and natural gas industries including transportation through industry publications on a daily basis. During this review period, ORS also conducted on-site visits of both the McMeekin and Wateree coal-fired and V.C. Summer nuclear generation stations.

Q. WHAT DID ORS DETERMINE FROM ITS EXAMINATION OF THE COMPANY'S PLANT PERFORMANCE FOR THE REVIEW PERIOD?

A. ORS reviewed the performance of the Company's generating facilities to determine if the Company made reasonable efforts to minimize fuel costs. The review period includes the actual period from January 2009 through December 2009, the estimated period from January 2010 through April 2010, and the forecast period from May 2010 through April 2011. ORS reviewed the availability of the Company's major power plants. Exhibit MSH-1 shows the monthly availability of the Company's major generating units stated in percentages. The corresponding capacity factors in Exhibit MSH-2 indicate the monthly utilization of each unit in producing power.

Q. PLEASE EXPLAIN THE SIGNIFICANCE OF PLANT AVAILABILITY AND HOW IT IS USED IN ORS'S EVALUATION OF THE COMPANY'S PLANT PERFORMANCE.

A. Exhibits MSH-3 and MSH-4 show the Company's major fossil and nuclear units summary of outages for the review period. With reference to Exhibit MSH-1, in months where generation units show zero availability as well as those months showing less than 100% availability led us to examine the reasons for such occurrences. Exhibits MSH-1 and MSH-3 were used to evaluate the Company's plant operations. As an example, Exhibit MSH-1 shows that McMeekin Unit 1 had 0.00% availability in the months of February, March, and April 2009. Exhibit MSH-3 indicates the reason for the 0.00% availability as being the scheduled thirteen week outage for a major turbine and generator inspection between January 24, 2009 and May 1, 2009; therefore, the unit was not

available to generate electricity during this time frame due to these planned activities being performed.

Q. PLEASE EXPLAIN HOW THE OTHER OUTAGES ARE REPRESENTED ON EXHIBITS MSH-3 AND MSH-4?

A. Exhibit MSH-3 provides explanations for major fossil unit outages of 100 hours or greater although our review includes all outages. Exhibit MSH-4 also provides explanations for all nuclear plant outages during the review period.

Q. WHAT WERE THE RESULTS OF ORS'S ANALYSIS OF THE COMPANY'S PLANT OPERATIONS FOR THE PERIOD UNDER REVIEW?

A. ORS's review of the Company's operation of its generating facilities concluded that the Company made reasonable efforts to maximize unit availability.

Q. WHAT WERE THE RESULTS OF ORS'S REVIEW OF THE GENERATION MIX AND UNIT FUEL COSTS UTILIZED BY THE COMPANY DURING THE REVIEW PERIOD?

A. Exhibit MSH-5 shows the monthly generation mix for the review period by generation type. As shown in this Exhibit, the combined-cycle natural gas-fired plants, which include both Jasper and Urquhart, are trending to contribute higher percentage generation throughout the period as natural gas prices remained low compared to coal prices. Exhibit MSH-6 shows the Company's average fuel cost for its combined-cycle natural gas-fired plants to be less than the average fuel cost for its coal plants. This is in contrast to previous dispatch patterns where natural gas-fired plants were more routinely operated during the summer and winter peak months with lower percentage generation during the non-peak periods.

In addition, Exhibit MSH-6 shows the average fuel costs for the major generating plants on the Company's system for the review period and the megawatt-hours produced by those respective plants. V.C. Summer generation represents SCE&G's 2/3 ownership percentage in the plant. The chart shows the lowest average fuel costs at the V.C. Summer Nuclear Station being 0.49 cents/kWh and the highest average fuel costs at the McMeekin coal plant being 4.65 cents/kWh. The Company utilizes economic dispatch which generally requires that the lower cost units are dispatched first.

Q. HAS ORS REVIEWED THE ACCURACY OF THE COMPANY'S SALES FORECAST FOR THE REVIEW PERIOD?

A. Yes. As shown in Exhibit MSH-7, the Company's actual megawatt-hour sales versus forecasted sales varied by 6.49% during the review period.

Q. HAS ORS REVIEWED THE ACCURACY OF THE COMPANY'S FUEL COST FORECAST FOR THE REVIEW PERIOD?

A. Yes. Exhibit MSH-8 shows the monthly variance between projected and actual fuel cost in cents/kWh for the review period. This Exhibit shows the cumulative average projected fuel cost level for the period was only 1.46% above the actual resulting cost level.

Q. WHAT OTHER INFORMATION HAS ORS REVIEWED IN MAKING ITS DETERMINATIONS IN THIS PROCEEDING?

A. Exhibit MSH-9 shows ending period balances of fuel costs beginning July 1979. The Company has experienced both under-recovery and over-recovery balances throughout the approximate thirty year period. As of December 2009, the Company was experiencing a cumulative under-recovery of $89,477,296.

Q. WHAT OTHER SOURCES OF INFORMATION DOES ORS USE IN DETERMINING THE REASONABLENESS OF A UTILITY'S REQUEST FOR A FUEL COST COMPONENT?

A. ORS routinely 1) reviews private and public industry publications as well as those available on the Energy Information Administration's ("EIA") website; 2) conducts meetings with Company personnel; 3) attends industry conferences; and 4) reviews fuel information as filed monthly by electric generating utilities with the Federal Government. An example of EIA data reviewed is included on Exhibits MSH-10 and MSH-11. Exhibit MSH-10 provides spot coal price data for a three-year period and includes the most recent spike and drop in prices experienced in 2008 for both Northern and Central Appalachia. SCE&G generally obtains its coal from the Central Appalachia region. Exhibit MSH-11 provides uranium price data for the previous fifteen year period and shows a significant increase in the price of uranium since 2006.

Q. DID ORS REVIEW ADDITIONAL INFORMATION IN DETERMINING THE REASONABLENESS OF THE COMPANY'S FORECAST?

A. Yes. ORS reviewed the forecasted maintenance schedules for the Company's major generating units as well as the Company's fuel price forecast for nuclear, coal, and natural gas. The Company continues to utilize the PROSYM® computer model to project fuel costs. PROSYM® is an accepted computer model utilized by utility companies throughout the country for fuel cost projections. ORS also reviewed the Company's load forecasting and dispatch procedures.

Q. DID ORS REVIEW THE COMPANY'S PROPOSAL TO COMPLY WITH THE RECOVERY OF CERTAIN VARIABLE ENVIRONMENTAL COSTS AS REQUIRED BY S.C. CODE ANN. SECTION 58-27-865(A) (1) (SUPP. 2009)?

A. Yes. ORS reviewed the Company's proposal to calculate the variable environmental component of costs based on firm peak demand for the Residential, Small General Service, Medium General Service, Large General Service/Industrial, and Lighting customer classes. The allocation of variable environmental costs, both incurred and projected, based on firm peak demand distributes the costs to each customer class as required by statute.

Q. PLEASE ADDRESS THE OUTAGES AT THE V.C. SUMMER NUCLEAR STATION.

A. Exhibit MSH-4 shows two forced outages and one refueling outage during the review period. The refueling outage was extended twelve days near the end of the outage.

Q. WHAT WAS THE PRIMARY REASON FOR THE OUTAGE EXTENSION AT THE V.C. SUMMER NUCLEAR STATION?

A. The outage extension was primarily due to an electrical fire that occurred on November 22, 2009. This fire resulted from Temporary Protective Grounds ("TPG") that were installed in the Balance of Plant ("BOP") switchgear. These TPGs were not properly tagged in accordance with the Company's Electrical Safety Procedures, and resulted in the operations department not knowing that the TPGs were still installed when they energized the associated electrical bus. The resulting fault current caused the TPGs

to overheat and damage the BOP breaker circuits. The resulting fire and repair work added approximately ten days to the refueling outage.

Q. DID ORS DETERMINE THE PRIMARY CAUSE OF THE ELECTRICAL FIRE?

A. Yes. ORS conducted an extensive review of the Company's procedures on the installation of TPGs including the safety tagging procedures. SCE&G does have a written procedure designed to prevent the actions that would lead to an electrical fire of this type. ORS determined that the fire resulted from an electrician not following SCE&G's written procedures for the proper installation of notification tags.

Q. OTHER THAN THE REFUELING OUTAGE EXTENSION, HOW DID THE V.C. SUMMER NUCLEAR STATION OPERATE DURING THE REVIEW PERIOD?

A. Despite the three outages during the review period, the V.C. Summer nuclear station operated efficiently during the review period with an actual availability factor of 81.7% and an actual capacity factor of 81.3%. The V.C. Summer nuclear station operated within Nuclear Regulatory Commission ("NRC") requirements. V.C. Summer is on an approximate 18 month refueling cycle, and is scheduled to begin its next refueling outage in April of 2011.

Q. WHAT STEPS HAS THE COMPANY TAKEN TO ADDRESS THE NON-PERFORMANCE OF CONTRACT COAL SUPPLIERS AS DISCUSSED IN THE COMPANY'S PREVIOUS FUEL HEARING?

A. The Company continues to negotiate with these suppliers to attempt to recover the additional costs associated with the non-deliveries where it determines there is justification to pursue such actions. Arbitration has been initiated with three suppliers with hearings scheduled for later this year. ORS meets with the Company on a regular

basis to track the success of the Company's actions. Any money received from litigation, arbitration, or negotiated settlements with coal suppliers where the dispute is for non-deliveries, defaults or other similar non-performance issues or for other matters related to or associated with S.C. Code §58-27-865 shall be applied to reduce the fuel costs account per Commission Order No. 2009-289.

Q. DOES ORS HAVE A RECOMMENDATION REGARDING THE COMPANY'S POLICIES AND PROCEDURES FOR APPROVING COAL CONTRACTS?

A. Yes. ORS's review found there to be a lag between the time the Company commits to purchase coal from a supplier and the date the contract documents are formally executed by the Company's management. Therefore, ORS recommends the Company establish a more timely review process to reduce the lag-time associated with finalizing coal contract documents.

Q. HAS ORS REVIEWED THE COMPANY'S PROPOSAL TO DEFER THE RECOVERY OF THE PROJECTED BASE FUEL COST UNDER-COLLECTED BALANCE?

A. Yes. ORS supports the Company's proposal and believes it is reasonable and appropriate.

Q. DOES ORS AGREE WITH THE COMPANY'S PROPOSAL TO CONTINUE THE COLLECTION OF CARRYING COSTS ON THE BASE FUEL UNDER-COLLECTION BALANCE?

A. Yes. In reviewing the Company's proposed collection of carrying costs on the base fuel under-collection balance, ORS found the proposal to be consistent with the

Commission Order from the Company's previous Annual Fuel Review (Order No. 2009-289).

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes, it does.

Office of Regulatory Staff
Power Plant Performance Data Report
Availability Factors (Percentage) for
South Carolina Electric & Gas Company

			HISTORICAL DATA			REVIEW PERIOD (ACTUAL) DATA												
PLANT	UNIT	NET MW RATING	YEAR 2007	YEAR 2008	YEAR 2009	JAN 2009	FEB 2009	MAR 2009	APR 2009	MAY 2009	JUN 2009	JUL 2009	AUG 2009	SEP 2009	OCT 2009	NOV 2009	DEC 2009	Average Review Pd.
CANADYS	1	90	57.0	86.1	87.2	100.0	46.0	92.8	100.0	84.4	100.0	82.2	96.3	94.6	98.1	67.6	84.7	**87.2**
CANADYS	2	115	87.2	66.7	87.4	96.2	76.2	81.7	86.1	98.8	100.0	97.1	96.0	96.9	91.7	43.6	84.7	**87.4**
CANADYS	3	180	87.3	82.0	79.6	67.7	61.3	40.5	87.6	100.0	97.8	89.6	64.7	100.0	97.7	67.6	80.4	**79.6**
COPE		420	92.2	75.9	96.4	100.0	99.4	99.2	58.3	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	**96.4**
McMEEKIN	1	125	94.2	88.0	63.7	69.8	0.0	0.0	0.0	78.3	100.0	100.0	100.0	85.0	100.0	36.7	94.7	**63.7**
McMEEKIN	2	125	66.6	91.2	87.7	100.0	100.0	97.3	42.3	46.9	92.0	100.0	100.0	100.0	100.0	79.7	94.6	**87.7**
URQUHART	3	95	94.4	87.5	71.4	88.2	0.0	0.0	71.4	74.0	100.0	47.2	100.0	83.4	92.3	100.0	100.0	**71.4**
WATEREE	1	342	79.1	94.3	71.4	88.0	100.0	100.0	30.9	100.0	95.0	100.0	100.0	100.0	3.2	0.0	39.9	**71.4**
WATEREE	2	342	87.4	93.2	91.7	100.0	84.2	40.8	99.8	100.0	100.0	100.0	100.0	100.0	76.1	100.0	100.0	**91.7**
WILLIAMS		570	79.1	81.4	86.0	100.0	100.0	59.6	100.0	100.0	100.0	100.0	100.0	33.2	43.3	100.0	96.5	**86.0**
COAL TOTALS		**2404**	**82.5**	**84.6**	**82.3**	**91.0**	**66.7**	**61.2**	**67.6**	**88.2**	**98.5**	**91.6**	**95.7**	**89.3**	**80.3**	**69.5**	**87.6**	**82.3**
JASPER	1	159	84.3	88.6	94.9	100.0	100.0	100.0	76.7	100.0	98.7	99.6	100.0	100.0	100.0	99.0	65.3	**94.9**
JASPER	2	166	84.3	92.2	95.9	100.0	100.0	100.0	76.7	100.0	100.0	100.0	100.0	100.0	100.0	99.0	75.6	**95.9**
JASPER	3	151	86.4	92.5	88.9	100.0	99.4	100.0	76.7	100.0	100.0	100.0	100.0	100.0	54.8	52.0	84.2	**88.9**
JASPER	4	392	86.1	93.5	96.6	99.9	100.0	100.0	76.7	100.0	99.9	100.0	100.0	99.9	99.9	99.0	84.2	**96.6**
URQUHART	5	162	94.4	78.2	92.4	99.5	97.6	100.0	76.5	69.1	100.0	92.6	98.9	99.9	97.9	77.0	99.7	**92.4**
URQUHART	1	64	93.2	79.8	92.2	99.9	97.9	100.0	75.7	62.7	100.0	94.2	99.9	100.0	98.3	77.7	99.7	**92.2**
URQUHART	6	168	80.7	87.5	92.3	67.1	89.4	98.5	97.0	100.0	100.0	86.5	100.0	97.4	75.4	98.1	98.4	**92.3**
URQUHART	2	64	80.5	87.6	91.5	41.4	99.9	99.3	89.3	98.5	100.0	94.3	100.0	100.0	75.8	100.0	100.0	**91.5**
CC TOTALS[1]		**1326**	**86.2**	**87.5**	**93.1**	**88.5**	**98.0**	**99.7**	**80.6**	**91.3**	**99.8**	**95.9**	**99.8**	**99.6**	**87.8**	**87.7**	**88.4**	**93.1**
V.C. SUMMER	1	966	99.5	84.4	81.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	16.2	0.0	64.4	**81.7**

Note 1: CC designates Combined-Cycle units

EXHIBIT MSH-1

Office of Regulatory Staff
Power Plant Performance Data Report
Capacity Factors (Percentage) for
South Carolina Electric & Gas Company

			HISTORICAL DATA				REVIEW PERIOD (ACTUAL) DATA												
PLANT	UNIT	NET MW RATING	LIFE TIME	YEAR 2007	YEAR 2008	YEAR 2009	JAN 2009	FEB 2009	MAR 2009	APR 2009	MAY 2009	JUN 2009	JUL 2009	AUG 2009	SEP 2009	OCT 2009	NOV 2009	DEC 2009	Average Review Pd
CANADYS	1	90	80.7	43.8	67.6	38.7	48.5	14.1	28.9	67.7	25.3	70.8	30.5	75.1	32.8	53.7	17.7	0.0	**38.7**
CANADYS	2	115	79.7	67.6	50.0	28.8	47.0	15.6	0.0	19.9	42.5	57.6	37.2	33.1	12.5	55.7	22.7	2.5	**28.8**
CANADYS	3	180	51.1	77.8	66.4	29.0	21.6	0.0	11.1	10.5	0.0	53.3	65.5	22.0	0.0	63.3	41.1	59.4	**29.0**
COPE		420	78.5	90.0	71.0	69.3	82.9	81.1	44.7	20.7	64.0	71.9	71.4	71.3	73.7	80.7	75.1	94.7	**69.3**
McMEEKIN	1	125	68.9	81.9	80.3	38.3	47.6	0.0	0.0	0.0	36.4	55.4	54.0	57.7	40.1	69.8	18.1	80.1	**38.3**
McMEEKIN	2	125	69.1	59.0	82.9	50.0	81.1	56.5	28.2	37.3	6.0	50.2	52.0	55.2	57.9	71.0	27.4	77.6	**50.0**
URQUHART	3	95	74.7	86.5	77.2	47.7	48.2	0.0	0.0	20.6	41.0	64.6	32.0	71.5	65.2	77.2	69.2	83.0	**47.7**
WATEREE	1	342	69.7	68.2	79.7	48.8	67.9	82.6	67.8	19.0	64.4	62.0	68.1	68.7	65.7	0.0	0.0	19.6	**48.8**
WATEREE	2	342	69.8	72.9	79.5	61.3	78.6	70.9	25.7	61.8	42.9	66.8	67.9	65.4	48.4	55.7	72.4	79.6	**61.3**
WILLIAMS		565	67.7	70.9	76.2	72.5	92.7	89.7	48.9	77.8	76.3	81.7	81.2	80.2	26.2	31.3	92.8	92.0	**72.5**
COAL TOTALS		**2399**	**68.5**	**72.1**	**72.5**	**56.4**	**71.5**	**61.4**	**36.1**	**40.5**	**51.3**	**67.7**	**65.7**	**65.2**	**44.9**	**49.2**	**55.3**	**68.5**	**56.4**
JASPER	1	159	n/a	29.7	33.9	66.6	35.7	48.1	75.2	44.3	78.8	71.0	66.4	75.7	82.4	99.9	86.1	35.2	**66.6**
JASPER	2	166	n/a	35.3	37.5	60.1	37.6	40.3	61.9	58.4	55.3	60.9	57.8	65.2	79.7	93.6	83.5	27.1	**60.1**
JASPER	3	151	n/a	30.1	38.6	62.7	34.6	47.1	80.4	57.8	37.1	58.9	95.4	93.4	102.2	48.6	45.6	51.9	**62.7**
JASPER	4	392	n/a	24.5	26.6	48.2	23.9	29.4	50.1	37.3	40.9	52.1	58.2	61.8	71.4	71.0	54.3	27.9	**48.2**
URQUHART	5	162	n/a	22.9	20.3	56.2	25.9	24.1	61.8	44.7	32.6	79.3	74.4	85.1	73.0	87.2	50.5	36.0	**56.2**
URQUHART	1	64	n/a	24.8	22.1	59.0	26.6	23.3	62.7	46.1	36.7	82.7	76.4	90.1	74.0	88.1	59.0	42.4	**59.0**
URQUHART	6	168	n/a	20.8	18.5	53.6	0.7	29.0	39.1	36.8	35.6	75.3	71.9	79.6	85.1	63.9	75.8	51.0	**53.6**
URQUHART	2	64	n/a	22.7	20.4	57.6	0.0	29.3	42.1	34.3	39.9	81.3	76.3	85.7	89.9	67.4	86.5	58.7	**57.6**
CC TOTALS		**1326**	**n/a**	**26.4**	**27.9**	**56.2**	**24.5**	**34.0**	**58.3**	**44.2**	**44.9**	**65.4**	**68.8**	**75.1**	**80.2**	**76.5**	**64.8**	**37.5**	**56.2**
V.C. SUMMER	1	966	80.9 [1]	100.1	84.2	81.3	101.4	101.5	101.7	101.6	101.3	100.6	100.2	99.9	100.6	9.8	0.0	57.2	**81.3**

Note 1: The lifetime nuclear unit capacity factor for V.C. Summer is through December 2009

EXHIBIT MSH-2

Office of Regulatory Staff
Fossil Unit Outage Report
(100 Hrs or Greater Duration) for
South Carolina Electric & Gas Company

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Canadys #1	2/6/09	2/21/09	363.00	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #1	11/21/09	12/5/09	347.50	Planned	Unit was taken offline due to a planned Fall outage.
Canadys #2	2/23/09	3/6/09	272.00	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #2	11/14/09	12/5/09	520.13	Planned	Unit was taken offline due to a planned Fall outage.
Canadys #3	1/22/09	2/11/09	487.28	Planned	Unit was taken offline due to a planned Spring outage.
Canadys #3	3/13/09	4/4/09	531.00	Maintenance	Unit was taken offline to replace a gamma plug in a main steam line.
Canadys #3	8/11/09	8/21/09	246.83	Forced	Unit was forced offline due to a leak on the main power piston of the boiler feed pump turbine.
Canadys #3	11/21/09	12/1/09	234.00	Planned	Unit was taken offline due to a planned Fall outage.
Cope	4/13/09	4/25/09	300.00	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	1/24/09	5/1/09	2334.20	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #1	5/11/09	5/16/09	120.92	Maintenance	Unit was taken offline to remove screens from the main steam stop valves.
McMeekin #1	9/21/09	9/25/09	108.12	Forced	Unit was forced offline due to a tube leak.
McMeekin #1	11/2/09	11/21/09	456.57	Planned	Unit was taken offline due to a planned Fall outage.
McMeekin #2	4/13/09	5/5/09	529.20	Planned	Unit was taken offline due to a planned Spring outage.
McMeekin #2	5/21/09	6/3/09	314.40	Maintenance	Unit was taken offline due to a tube leak.
McMeekin #2	11/16/09	11/22/09	146.15	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #1	4/2/09	4/22/09	497.72	Planned	Unit was taken offline due to a planned Spring outage.
Wateree #1	10/2/09	12/12/09	1720.73	Planned	Unit was taken offline due to a planned Fall outage.
Wateree #1	12/12/09	12/18/09	143.10	Start-Up Failure	Problems with new Mark VI Controls.
Wateree #2	2/24/09	3/19/09	543.02	Planned	Unit was taken offline due to a planned Spring outage.
Wateree #2	10/24/09	10/31/09	177.50	Maintenance	Unit was taken offline to repair a leak in #2 HP heater
Williams	3/18/09	3/31/09	300.45	Planned	Unit was taken offline due to a planned Spring outage.
Williams	9/10/09	10/16/09	860.28	Planned	Unit was taken offline due to a planned Fall outage.

Office of Regulatory Staff
Fossil Unit Outage Report
(100 Hrs or Greater Duration) for
South Carolina Electric & Gas Company

UNIT	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
Jasper #2	4/1/09	4/8/09	168.00	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #2	12/12/09	12/20/09	181.42	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #3	4/1/09	4/8/09	168.00	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #3	10/18/09	11/15/09	682.22	Planned	Unit was taken offline due to a planned Fall outage.
Jasper #4	4/1/09	4/8/09	168.00	Planned	Unit was taken offline due to a planned Spring outage.
Jasper #4	11/1/09	11/15/09	346.22	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #1	5/18/09	5/28/09	254.25	Maintenance	Unit was taken offline to repair hydrogen leaks in the cement seal on two generator high-voltage bushings.
Urquhart #1	10/31/09	11/7/09	173.42	Maintenance	Unit was taken offline to modify the power supply to the exciter.
Urquhart #2	1/12/09	1/30/09	436.33	Maintenance	Unit was taken offline to replace the studs in the turbine control valves.
Urquhart #2	10/23/09	10/30/09	180.35	Maintenance	Unit was taken offline to modify the power supply to the exciter.
Urquhart #3	1/29/09	4/8/09	1658.50	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #3	5/2/09	5/8/09	154.83	Maintenance	Unit was taken offline to make adjustments to improve the responsiveness of the load governor.
Urquhart #3	7/8/09	7/25/09	392.73	Maintenance	Unit was taken offline to repair the oil deflectors on Turbine No. 2
Urquhart #3	9/26/09	10/3/09	176.52	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #5	4/20/09	4/27/09	168.60	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #5	5/19/09	5/28/09	230.25	Maintenance	Unit was taken offline due to repair work underway on Unit # 1.
Urquhart #5	10/31/09	11/7/09	172.88	Planned	Unit was taken offline due to a planned Fall outage.
Urquhart #6	1/23/09	2/3/09	273.42	Planned	Unit was taken offline due to a planned Spring outage.
Urquhart #6	10/23/09	10/30/09	180.27	Planned	Unit was taken offline due to a planned Fall outage.

Office of Regulatory Staff
V.C. Summer Nuclear Unit Outage Report for
South Carolina Electric & Gas Company

NO.	DATE OFF	DATE ON	HOURS	TYPE	EXPLANATION OF OUTAGE
1	10/2/09	10/13/09	263.85	Forced	Unit was forced off line due to failure of main generator breaker.
2	10/17/09	12/10/09	1295.70	Planned	Unit was taken offline for Refueling Cycle 18.
3	12/16/09	12/17/09	29.78	Forced	Unit was forced off line due to failure of the steam dump system.

EXHIBIT MSH-4

EXHIBIT MSH-5

Office of Regulatory Staff
Generation Mix Report for
South Carolina Electric & Gas Company

(January 1, 2009 - December 31, 2009)

MONTH	PERCENTAGE					
	FOSSIL	NUCLEAR	COMBINED CYCLE	COMBUSTION TURBINE	HYDRO	PURCHASED POWER
January	63	22	11	0	3	1
February	57	24	16	0	2	1
March	38	26	31	0	4	1
April	44	26	24	0	5	1
May	49	24	21	0	5	1
June	51	19	25	0	4	1
July	50	19	26	0	4	1
August	48	19	28	0	4	1
September	39	21	35	0	4	1
October	50	3	40	1	3	3
November	58	0	38	0	4	0
December	61	13	19	0	6	1
Avg =	51	18	26	0	4	1

EXHIBIT MSH-6

Office of Regulatory Staff
Generation Statistics for Major Plants for
South Carolina Electric & Gas Company

(January 1, 2009 - December 31, 2009)

PLANT	TYPE FUEL	AVERAGE FUEL COST (CENTS/KWH [1])	GENERATION (MWH)
V.C. Summer [2]	Nuclear	0.49	4,581,362
Jasper CC	Gas	3.26	4,279,737
Urquhart CC	Gas	3.88	2,274,045
Urquhart	Coal	3.97	400,816
Williams	Coal	4.05	3,810,036
Cope	Coal	4.08	2,557,159
Wateree	Coal	4.57	3,359,451
Canadys	Coal	4.64	1,108,108
McMeekin	Coal	4.65	971,837

Note 1: The average fuel costs for coal-fired plants include oil and/or gas cost for start-up and flame stabilization.

Note 2: Generation Statistics for V.C. Summer represents SCE&G's 2/3 ownership.

Office of Regulatory Staff
SC Retail Comparison of Estimated to Actual Energy Sales
for South Carolina Electric & Gas Company

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
[1]	**ESTIMATED SALES [MWH]**	1,965,000	1,850,000	1,746,000	1,633,000	1,638,000	1,999,000	2,225,000	2,196,000	2,099,000	1,770,000	1,584,000	1,758,000	22,463,000
[2]	**ACTUAL SALES [MWH]**	1,752,090	1,762,238	1,682,257	1,450,390	1,520,024	1,911,559	2,215,662	2,053,796	1,957,150	1,709,579	1,432,716	1,645,923	21,093,383
[3]	**AMOUNT DIFFERENCE [1]-[2]**	212,910	87,762	63,743	182,610	117,976	87,441	9,338	142,204	141,850	60,421	151,284	112,077	1,369,617
[4]	**PERCENT DIFFERENCE [3]/[2]**	12.15%	4.98%	3.79%	12.59%	7.76%	4.57%	0.42%	6.92%	7.25%	3.53%	10.56%	6.81%	**6.49%**

EXHIBIT MSH-7

Office of Regulatory Staff
SC Retail Comparison of Estimated to Actual Fuel Cost (Cents/kWh)
for South Carolina Electric & Gas Company

		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	PERIOD
[1]	ORIGINAL PROJECTION	3.2464	2.9317	3.0400	2.9808	3.4605	3.6199	3.5862	3.5658	3.1831	3.8496	4.5143	3.6891	3.4723
[2]	ACTUAL EXPERIENCE	3.6801	3.0303	2.9477	3.0439	3.5706	3.6873	3.1908	3.4399	2.9017	3.9302	4.3670	4.4967	3.5239
[3]	AMOUNT IN BASE	3.2910	3.2910	3.2910	3.2910	3.6210	3.6210	3.6210	3.6210	3.6210	3.6210	3.6210	3.6210	3.5110
[4]	VARIANCE FROM ACTUAL [1-2]/[2]	-11.79%	-3.25%	3.13%	-2.07%	-3.08%	-1.83%	12.39%	3.66%	9.70%	-2.05%	3.37%	-17.96%	-1.46%

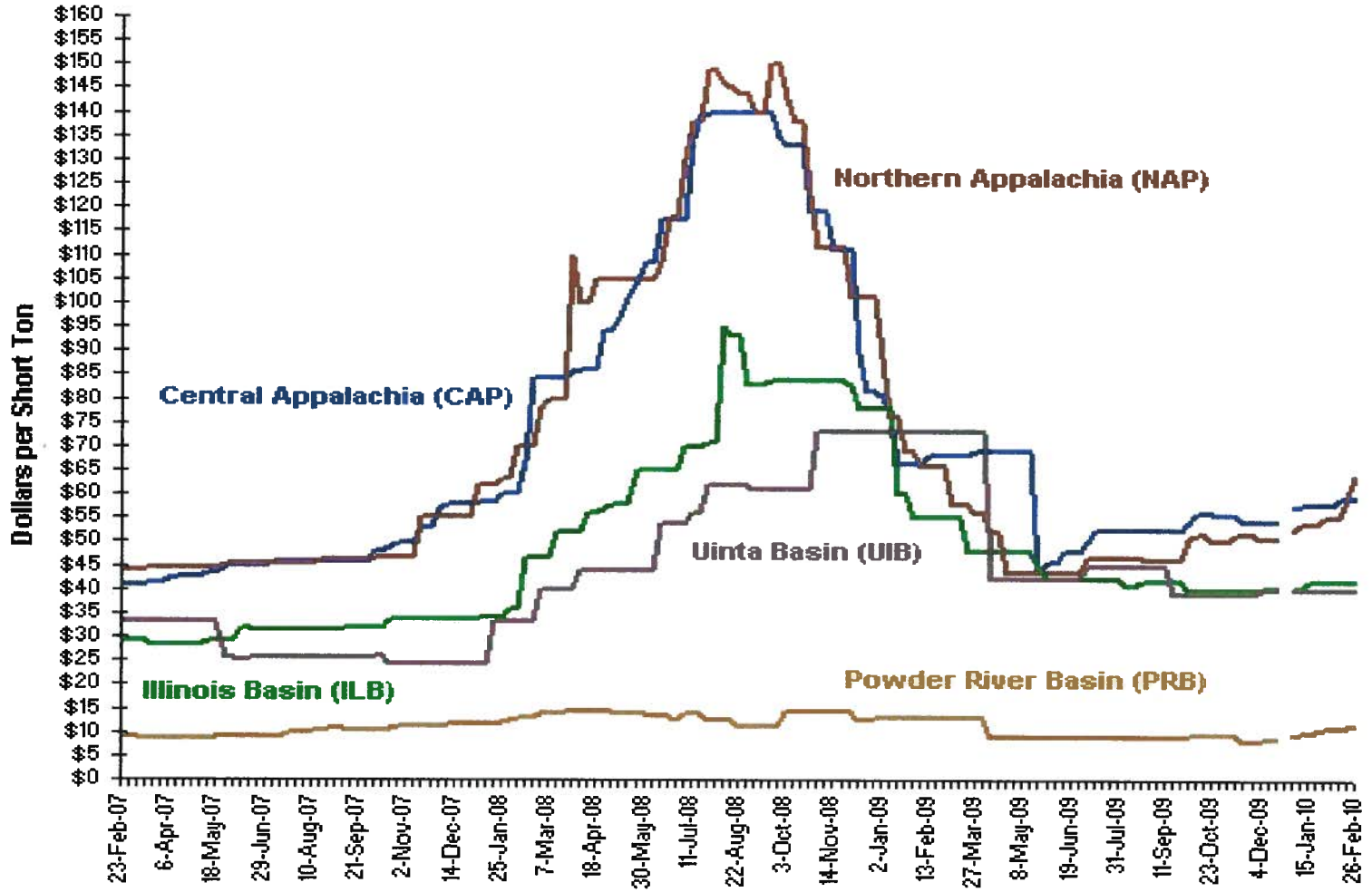
EXHIBIT MSH-8

EXHIBIT MSH-9

South Carolina
Office of Regulatory Staff
History of Cumulative Recovery Account Report for
South Carolina Electric & Gas Company

PERIOD ENDING	OVER (UNDER)$
January 1979 – Automatic Fuel Adjustment in Effect	
July-79	4,427,600
April-80	7,608,796
October-80	-462,050
April-81	2,188,451
October-81	-10,213,138
April-82	5,164,628
October-82	9,937,268
April-83	9,767,185
October-83	-4,527,441
April-84	-2,646,395
October-84	-3,211,158
April-85	-9,545,054
October-85	-6,115,435
April-86	2,474,301
October-86	-540,455
April-87	-353,393
October-87	-3,163,517
April-88	9,247,139
October-88	2,717,342
April-89	-5,665,737
October-89	-8,777,726
April-90	-5,288,612
October-90	6,536,591
April-91	7,180,922
October-91	4,160,275
April-93	15,835,472
October-93	15,449,670
April-93	16,006,551
October-93	10,069,457
April-94	2,646,301
October-94	(265,302)
April-95	6,622,597
October-95	4,202,766
February-97	4,914,169
February-98	596,797
February-99	(1,303,094)
February-00	(124,599)
February-01	(60,454,498)
February-02	(16,421,821)
February-03	(17,429,464)
February-04	(20,532,126)
January-05	(23,979,198)
January-06	(54,743,186)
January-07	(52,562,505)
January-08	(28,848,155)
December-08	(130,199,721)
December-09	(89,477,296)

EIA Average Weekly Coal Commodity Spot Prices
Business Week Ended February 26, 2010



Key to Coal Commodities by Region

Central Appalachia:	Big Sandy/Kanawha 12,500 Btu, 1.2 lbSO2/mmBtu	Powder River Basin:	8,800 Btu, 0.8 lb SO2/mmBtu
Northern Appalachia:	Pittsburgh Seam 13,000 Btu, <3.0 lbSO2/mmBtu	Uinta Basin in Colo.:	11,700 Btu, 0.8 lb SO2/mmBtu
Illinois Basin:	11,800 Btu, 5.0 lb SO2/mmBtu		

EXHIBIT MSH-10

EIA Weighted-Average Price of U.S. and Foreign-Origin Uranium Purchased by Owners and Operators of U.S. Civilian Nuclear Power Reactors, 1994-2008 Deliveries

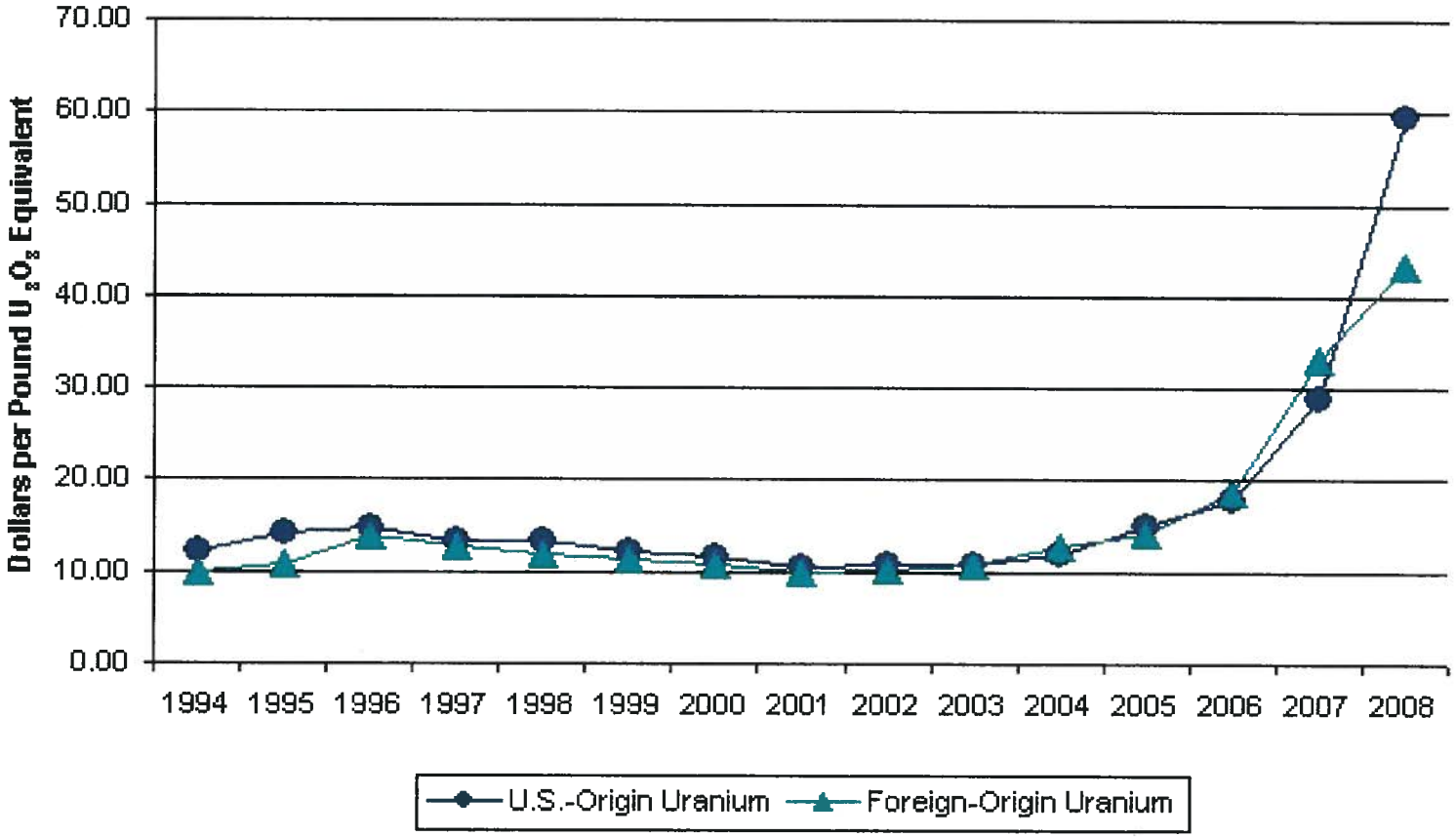


EXHIBIT MSH-11